



DIRECTORATE OF INTELLIGENCE

# **MEMORANDUM**

# The Situation in Vietnam

25X1

**Top Secret** 

25X1 Approved For Release 2003/09/26: CIA-RDP79T00826A003000120001-9 Information as of 1600 30 November 1967 25X1 HIGHLIGHTS A unit, possibly of regimental size, sub-ordinate to the 304th NVA Infantry Division has been initially located on 29 November in the Laos panhandle. It is the second North Vietnamese unit of this size detected moving southward through Laos in the last few weeks. The Military Situation in South Vietnam: Communist forces have intensified their activities in the northern half of Kontum Province (Paras. 1-3). 25X1 Enemy forces have attacked allied positions near Bo Duc for the second day in a row (Para. 5). Weekly Battle Statistics (Graphs). II. Political Developments in South Vietnam: 25X1 The Saigon city government has taken some steps to tone down the glitter of establishments which cater to foreigners (Paras. The government continues to crack down on corrupt officials (Paras. 5-6). 25X1 Other Communist Military Developments: There

is nothing of significance to report.

Communist Political Developments: A North Vietnamese commentary attempts to refute General Westmoreland's four-phase program for victory in Vietnam (Paras. 1-4). Soviet Premier Kosygin has once again indicated that Moscow is not now willing to take any initiative toward peace talks (Paras. 5-6).

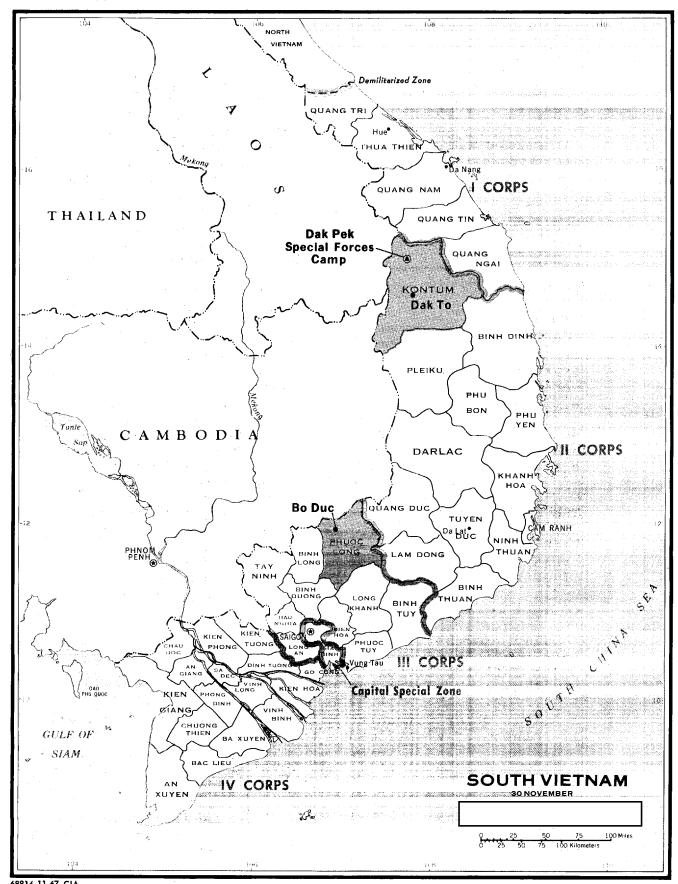
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## I. THE MILITARY SITUATION IN SOUTH VIETNAM

1. Communist forces in the western highlands have intensified their activity in the northern half of Kontum Province. A delayed report from Dak Pek Special Forces camp states that a patrol from the camp was ambushed on 27 November by a company-size enemy force. Six of the patrol were killed and 13 were wounded; three of the attackers were killed.

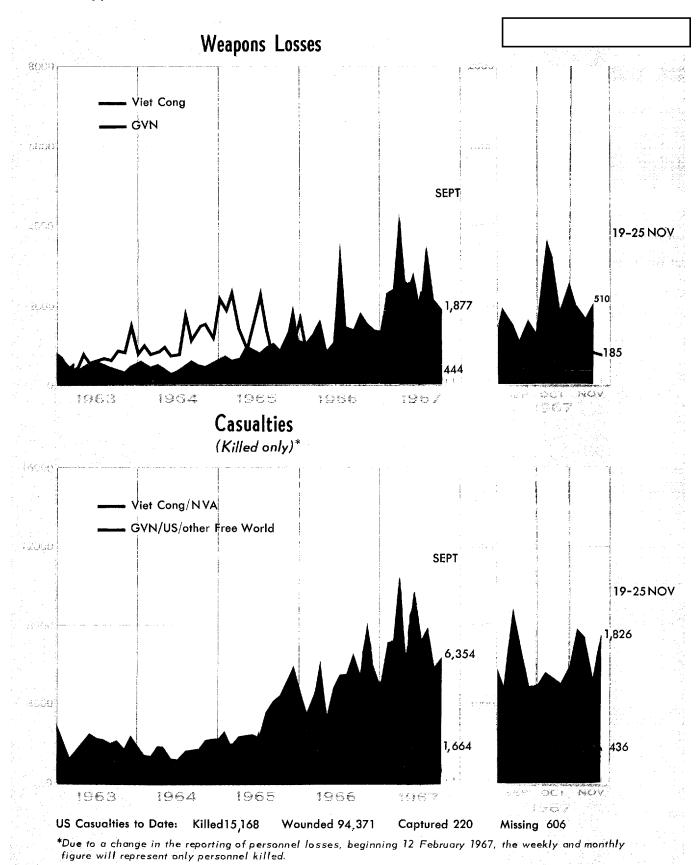
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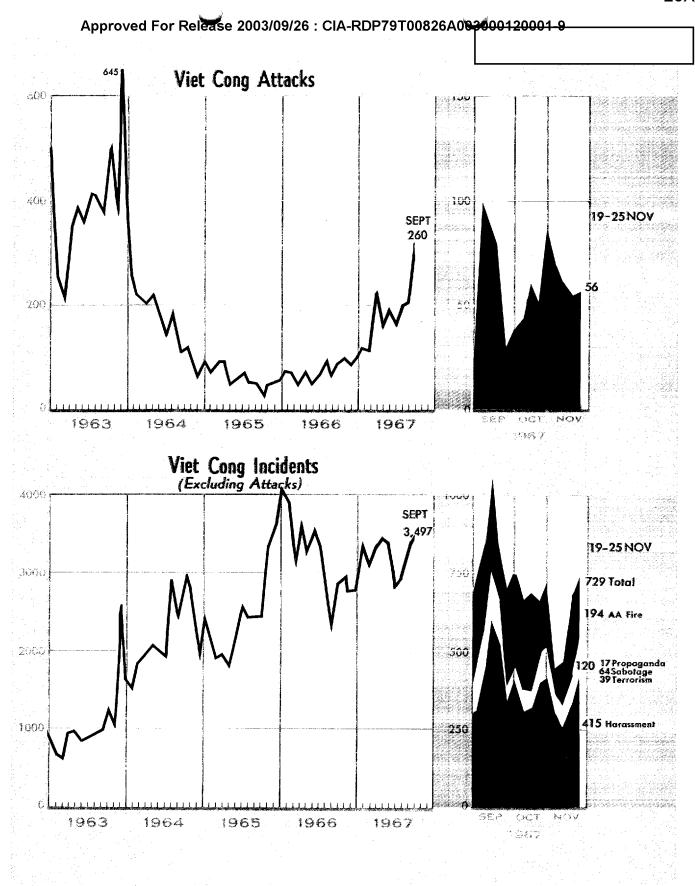
3. On 29 November, two South Vietnamese battalions and an estimated 500-man enemy force fought for five hours some nine miles northeast of the US stronghold at Dak To. The Communist force, believed to be another subordinate of the North Vietnamese 24th Division, reportedly lost 130 killed in the heavy fighting. The government troops were supported by well-coordinated artillery and air strikes. Preliminary reports indicate that South Vietnamese casualties were light.

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### Another Attack Near Bo Duc

5. Enemy forces attacked allied positions near Bo Duc some 85 miles north of Saigon for the second consecutive day late on 29 November. This time a battalion of the US 1st Infantry Division, which had been rushed in to reinforce South Vietnamese forces in the area, was the target of a mortar and rocket barrage and a probing ground attack. Five US troops and nine enemy soldiers were killed in the action. Another 11 Americans were wounded. The enemy also shelled three nearby South Vietnamese outposts. Bo Duc is situated three miles east of the Cambodian border.





II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

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### Austerity Moves in Saigon

- 3. According to the semiofficial Vietnam Press, the city government is going to crack down on the glitter in Saigon by requiring that all colored neon signs on bars, restaurants, and similar public establishments be replaced by all-white signs. Also, in a move reminiscent of the Diem regime, all restaurants, bars, commercial, and industrial establishments with foreign names must change them to Vietnamese ones. This ruling will apply equally to the flamboyant bars that dot the center of the city as well as to the more conservative and respectable hotels and eating places.
- 4. This move may presage even more stringent moves against the bars and other establishments that cater to foreign clientele. These establishments have been an increasing source of irritation to the Vietnamese, and President Thieu recently hinted in public that there would be some moves made to create a more austere atmosphere in Saigon.

#### Continuing Crack-Down on Corruption

- 5. The Vietnam Press also announced on 30 November that several officials of the refugee program in Binh Dinh Province had been imprisoned for the embezzlement of some 10 million piasters. The former chief of the refugee service in Binh Dinh, the former Hoai Nhon District chief, and several other officials involved in the case have been charged with misuse of public funds. Investigation of the case was begun on the basis of complaints from local inhabitants.
- 6. According to another unconfirmed press report, a second lieutenant has been sentenced to death for embezzlement of government funds. No further details are available.

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#### NORTH VIETNAMESE MILITARY DEVELOPMENTS

Communist efforts to extend roads and trails from Laos into the A Shau Valley area have been under way now for more than a year. Moreover, there is ample evidence that the North Vietnamese have been busy building and fortifying a major base area within or near the A Shau Valley. The movement of sizable enemy forces into this strategic part of South Vietnam could be intended to outflank US Marine forces in the western and central parts of the DMZ. The A Shau Valley also provides an excellent supply pipeline and rear area for Communist forces targetted against the coastal lowlands of Quang Tri and Thua Thien provinces.

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### IV. OTHER COMMUNIST MILITARY DEVELOPMENTS

1. There is nothing significant to report.

#### V. COMMUNIST POLITICAL DEVELOPMENTS

- l. North Vietnam's army daily Quan Doi Nham Dan published a lengthy and scornful commentary on 26 November refuting General Westmoreland's four-phase program for victory in Vietnam. The main theme of the piece is that Westmoreland's assertions are false and that the "defeated general" is being used not to fight the war, but to fight US public opinion.
- 2. The daily acknowledges that in phase one US intervention saved the South Vietnamese "puppets" from defeat, but asserts that this paved the way for an even bigger "strategic defeat of the Americans." Even in phase one, says the daily, the US suffered because the South Vietnamese were unable to carry their share of the load, and because the "developing people's war" forced the allies to split up into smaller units. Above all, the US failed to achieve its "number one strategic objective of breaking the backbone of the Viet Cong." This failure, said the commentary, brought about the defeat of all the tasks which Westmoreland had set for the first phase.
- 3. Regarding the second phase, the commentary said that Westmoreland's report shows the "Americans are retreating," while Communist forces have not only preserved their units, but have also developed these units into division-size ones. It claims the US was dealt an "unexpected strategic blow" in 1966 when it had to divert troops to the DMZ area to cope with the Communist offensive there.
- 4. In describing the current situation, the commentary quotes an unnamed US journalist as saying recently that the Communists have the initiative and are capable of engaging in coordinated actions on a nation-wide scale. US strategy, the commentary claims, has gone from crisis to stalemate, and, the winter-spring campaign is proving that the US military situation has deteriorated and that US strategy is deadlocked

#### Soviet Position Toward Peace Talks

- 5. Premier Kosygin has indicated again that Moscow is not now willing to take any initiative toward peace talks, stating that Hanoi must decide its own destiny. The Soviet premier's remarks were made to visiting Swedish Foreign Minister Nilsson, according to a US press report.
- 6. Probably convinced that there is not sufficient "give" in prospect by either side in the war, Moscow appears resigned for the time being to its continuance. Last month, in reply to an effort by the president of the World Federation of UN Associations to convene a conference of the Geneva co-chairmen and the three ICC members, Kosygin stated that "the convening of any sort of international conference within the framework of the Geneva conference mechanism is as yet unrealistic."

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